



Early Journal Content on JSTOR, Free to Anyone in the World

This article is one of nearly 500,000 scholarly works digitized and made freely available to everyone in the world by JSTOR.

Known as the Early Journal Content, this set of works include research articles, news, letters, and other writings published in more than 200 of the oldest leading academic journals. The works date from the mid-seventeenth to the early twentieth centuries.

We encourage people to read and share the Early Journal Content openly and to tell others that this resource exists. People may post this content online or redistribute in any way for non-commercial purposes.

Read more about Early Journal Content at <http://about.jstor.org/participate-jstor/individuals/early-journal-content>.

JSTOR is a digital library of academic journals, books, and primary source objects. JSTOR helps people discover, use, and build upon a wide range of content through a powerful research and teaching platform, and preserves this content for future generations. JSTOR is part of ITHAKA, a not-for-profit organization that also includes Ithaka S+R and Portico. For more information about JSTOR, please contact support@jstor.org.

INTERNATIONAL EXECUTIVES

AN interesting example of the possibility of establishing, on a practical and workable basis, international executive committees with certain delegated powers conferred upon them by the participating governments, for the purpose of securing joint international control in special spheres of common interest, is furnished by the successful operation during the war of international executives for nitrate of soda, tin, hides and leather, and certain other raw materials, and some food supplies.

These Executives, as they were called, were international joint committees organized by agreements between the United States and the principal Allied Governments, each committee being vested with certain well-defined executive powers relating to the procurement and distribution of some one or more of the materials mentioned to the best advantage of all the participating countries.

In the case of each of these materials the estimated world's supply available for the use of the Allies was inadequate for their requirements, and it was therefore necessary to adopt some method of stimulating production and at the same time to avoid unduly increasing the prices by competitive and unregulated buying; and to determine by common consent the share of these materials to be apportioned to each of the Allied countries and arrange for its allocation in accordance with their agreed requirements; and also to arrange for supplying each country from the markets most conveniently located for procuring its requirements with reference to shipping facilities which constituted a limiting factor in making the world's production available.

The general plan upon which all of these Executives were formed was for the appropriate governmental agency in each country to enter into a special agreement with the others, establishing the particular Executive created thereby and stipulating that it should be composed of an agreed number of representatives of each participating country with authority to carry out the specified arrangements agreed upon, with the proviso that these arrangements must be modified and readjusted from time to time by such further agreements as might be necessary in order to serve the best interests of all concerned. These

special agreements further provided for and defined, subject to the aforesaid reservation as to modifications and readjustments, the specific powers and duties of the Executives thereby established.

Different problems and conditions presented themselves in each case, requiring corresponding differences in treatment. In the case of nitrate of soda, for example, except for the supplementary supply produced through fixation plants and other artificial processes, which had been established during the war in the Allied countries, the entire available world's supply came from a single source, which was the natural nitrate beds in Chile, a neutral country, and the entire output of these beds was necessary to meet the requirements of the Allies. In the case of nitrate of soda, therefore, the problem was to arrange for the procurement of the largest possible output of nitrate from Chile at the lowest prices consistent with the greatest possible production, and to determine, by joint agreement among the Allies, how this supply should be allocated to the best advantage of the Allied interests.

To meet this situation an inter-allied agreement establishing the nitrate of soda Executive provided that all nitrate for use in the participating countries should be purchased only when and as authorized, and at prices fixed by the Executive, and that all purchases so authorized should be made under the direction of a Director of Purchases appointed by the Executive, and also that all nitrate so purchased should be pooled both as to quantity and price for the common interest of the governments concerned, and that the amount to be imported to each country should be determined by the Executive in accordance with prearranged allocations as fixed by the terms of the agreement.

Different methods of procurement and purchasing were found to be necessary in the case of some of the other raw materials mentioned, where only a part of the annual output came from neutral countries and a considerable quantity of the available supply was produced within the United States or in territories under the jurisdiction of some of the Allied Governments. In some cases it was found advisable, instead of empowering a single director of purchases to act for all, to arrange for several directors of purchases in the different markets, all acting under the direction of the Executive and in conjunction with each other for the mutual advantage of the several governments concerned. Again, in some cases it was found advisable

to allot to each country separate markets exclusively for its own purchases as well as to allot to each country its proportionate share of purchases made in a common market. In such cases it was provided that if the allocation of markets resulted in disadvantage to any of the participating countries through inequality of prices in different markets, then the cost of purchases in the different markets might be equalized by the Executive by monthly readjustments, so that all participating countries would pay the same average price for their respective shares, and the Executive was also authorized to require that all purchases made for account of more than one of the participating countries in a common market should be pooled as to quantity and price. In every case, however, each of the participating countries reserved to itself the right to determine the purchasing agencies or importing houses through which its allocated share should be purchased, either in its own markets or in the markets of other countries.

Another function of the Executive, which was common to all of these arrangements, was the authority to collect information as to methods adopted in the participating countries for economy in the domestic distribution and use of the raw material dealt with, and with power, whenever it was considered desirable, to make recommendations to each of the participating countries with reference thereto, and each of the countries was required to keep the Executive fully informed of all supplies on hand, and of all its purchases from all sources for its own use.

The underlying condition, which was essential to the success of these arrangements and which entered into all of them, was the governmental control exercised during the war in each of the participating countries over imports and exports, because it was necessary to agree, with reference to the materials under the control of each Executive, that the respective governments would exercise such control over their respective nationals as would prevent them from buying these materials through any channels except those provided for under the direction of the respective Executives.

It is difficult to overestimate the importance of the results secured through the control exercised by these Executives in regulating the price and the consumption of these materials, and in stimulating their production when the available supply was normally inadequate to meet the requirements of the Allies, as well as in arranging the

allocation of these materials among the Allies in accordance with the best interests of all concerned.

It remains for the future to disclose whether the principle of international cooperation, applied during this war through the operations of international executives, will find its way into the economic conditions prevailing in time of peace.

CHANDLER P. ANDERSON.

SOME POINTS AS TO SHIPS IN ENEMIES' PORTS AS PRIZES

An opera is often judged by its overture. The British prize courts have adopted a like practice as to the Hague Conventions and various international agreements which have been considered by them.

Thus the Judicial Committee of the Privy Council (*The Germania*, 4 Lloyd's P. C., p. 268), observing that the preamble of the Sixth Hague Convention stated that the signatory Powers, "anxious to insure the security of international commerce against the surprises of war, and wishing, in accordance with modern practice, to protect, as far as possible, operations undertaken in good faith and in process of being carried out before the outbreak of hostilities, have resolved to conclude a Convention to this effect," holds:

These words clearly indicate that the purpose of the convention is the security of international commerce, and that the operations undertaken in good faith and in process of being carried out are operations of a commercial character.

Therefore, the right to days of grace, and other privileges and exemptions given by that convention, was denied to ships not *navire de commerce* and so to a very valuable racing yacht.

The prize court went further and held these privileges would be denied to merchant ships, except when engaged in operations of a commercial character.

Thus, the *Prinz Adalbert* and *Kronprinzessin Cecelie* (4 Lloyd's P. C., p. 360), German steamships, belonging to the Hamburg-American Line, having been advised that war had broken out between Germany and France, sought refuge from capture by French warships by taking refuge in a British port (Falmouth) and, on the outbreak of